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July 22, 2005

VIA ECFS

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: WT Docket No. 02-353 (Advanced Wireless Services) Ex Parte Communication

Dear Ms. Dortch:

On July 21, 2005, Carl Northrop of Paul, Hastings, Janofsky & Walker LLP, on behalf of MetroPCS Communications, Inc., submitted the attached e-mail to John Spencer, Jennifer Tomchin and Brian Carter of the Wireless Telecommunications Bureau concerning the abovecaptioned proceeding.

In accordance with Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206, this letter is being electronically filed with your office.

Respectfully Submitted,

Carl W. Northrop

Counsel for MetroPCS Communications, Inc.

Attachment

-----Original Message-----**From:** Northrop, Carl

Sent: Thursday, July 21, 2005 10:25 PM

To: 'John.Spencer@fcc.gov'

Cc: 'jennifer.tomchin@fcc.gov'; 'brian.carter@fcc.gov'

Subject: MetroPCS AWS Band Plan

John Spencer -

This e-mail follows up on a question you posed to MetroPCS Communications, Inc. (MetroPCS) during our meeting discussing the MetroPCS Advanced Wireless Service (AWS) band plan. Specifically, you asked for more detail concerning the justification in the MetroPCS plan for limiting the allocation of spectrum in the MSA/RSA category to 10 MHz as compared to the 20 MHz in certain other plans.

We re-reviewed the record in the proceeding following your inquiry. We have not found what we consider to be compelling evidence of a technical or economic justification for 20 MHz of MSA/RSA spectrum across the nation. As a consequence, based on our review we continue to believe that 10 MHz would be a sufficient amount of spectrum to license on an MSA/RSA basis. However, we recognize that a number of interested parties have indicated that they consider 20 MHz of spectrum to be necessary to provide their desired AWS services in MSA/RSA markets.

While MetroPCS continues to advocate only 10 MHz of spectrum on a MSA/RSA basis, if, based upon the record, the Commission opts to allocate a total of 20 MHz of spectrum on an MSA/RSA basis rather than 10 MHz as proposed by MetroPCS, we urge the Commission to allocate two separate but contiguous 10 MHz blocks rather than a single 20 MHz block. This approach serves the public interest for several reasons:

- There is more than one existing MSA/RSA broadband license in each market. Making two MSA/RSA blocks available in the AWS band will allow for continued competition among carriers who are providing service on this basis.
- Carrier's spectrum needs will differ from market to market, with there being less need for a single carrier to garner 20 MHz of spectrum in some of the smaller markets. Utilizing 10 MHz blocks will enable carriers to buy only the spectrum they need to meet projected subscriber needs.
- Allocating spectrum on a 20 MHz basis could be inefficient because more advanced technologies may require lesser amounts of spectrum. For example, MetroPCS plans to deploy a 3G broadband network in the Tampa/Sarasota market and has concluded that 10 MHz of spectrum will suffice since it will be using state-of-the-art CDMA technology. While not all MSA/RSA licensees use CDMA technology, MetroPCS believes that it is prudent to allocate the spectrum in smaller blocks that can be aggregated as necessary. This approach will meet the needs of diverse licensees while ensuring greater efficiency in the use of AWS spectrum. It would not serve the public interest to lock all 20 MHz into a single MSA/RSA license when some licensees or technologies may only need 10 MHz of spectrum.

- As MetroPCS has advocated with regard to other aspects of its AWS band plan, it is
 possible to aggregate spectrum through unilateral action in the auction but impossible
 to disaggregate spectrum in the course of the auction. As a consequence, carriers
 interested in assembling a 20 MHz block of spectrum on an MSA/RSA basis will be able
 to do so if the Commission opts for two 10 MHz blocks.
- Allocating spectrum in two blocks instead of one also will create opportunities for new
 entrants in the wireless market. As MetroPCS described in its meeting with you, an
 increasing number of new players are gaining acceptance by providing
 affordable unlimited services. Allocating two rather than one license on a MSA/RSA
 basis will allow additional new entrants to enter markets whenever they value the
 spectrum more highly than other applicants or the incumbent carriers.

All in all, MetroPCS submits that allocating two 10 MHz blocks of spectrum on an MSA/RSA basis is much preferred to allocating one 20 MHz block. Doing so will increase options for the auction participants and lead to a robust auction which is more likely to result in spectrum getting into the hands of those who value it most highly.

For your information, a copy of this e-mail is being filed with the FCC Secretary in compliance with the *ex parte* rules.

Please do hesitate to contact me if you have any questions concerning this matter.

Carl Northrop

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